

"Placerville, a Unique Historical Past Forging into a Golden Future "



City Manager's Report
October 13, 2015 City Council Meeting
Prepared By: Rebecca Neves, City Engineer

Item#: 8.4

Subject: Adopt a Resolution:

1. Approving a Consulting Services Agreement Amendment No. 1 with Domenichelli & Associates (D&A) in an amount not to exceed \$34,790 for design engineering services for the Pardi Way/Big Cut Road/Sacramento Street Area Waterline Replacement Project - Waterline Replacement on Chamberlain Street and Sacramento Street (CIP #41109), and authorizing the City Manager to execute the agreement; and
2. Approving the Local Project Sponsor Agreement with Nevada Irrigation District (NID) establishing the terms and conditions for receipt of the grant funding and authorizing the City Manager to execute the agreement; and
3. Approving a \$743,351 budget appropriation from the State Water Conservation Grant for the said project.

Background:

In 2004, the City completed a project to decommission and bypass the City's existing Water Treatment Facility located on Pardi Way. As part of the closeout work for that project, staff identified pipelines immediately downstream of that facility that were in need of replacement. In 2011, the City entered into a cost sharing agreement with the El Dorado County Water Agency (EDCWA) which provided \$90,000 to develop plans and contract documents for rerouting and replacement of deteriorated pipelines in that area, including constructing new pipelines in the vicinity of Pardi Way, Big Cut Road, Sacramento Street, Gilmore Street, and Chamberlain Street. With the available design funding, plans and contract documents were developed to the 90% stage by early 2012. The total estimated cost of construction for the project at that time was \$1.9 million.

Subsequent to that effort, the City applied for and successfully received funding for water related projects through the Consumnes, American, Bear and Yuba Rivers Planning Group (CABY). CABY's program administrator, The Sierra Fund (TSF), was charged with preparing a regional application for Proposition 84 Round 1, grant funds administered by the State Department of Water Resources (DWR). In June 2012, and again in June 2014, the City Council passed Resolution Nos. 8008 and 8208 adopting the CABY Integrated Regional Water Management Plan (IRWMP) as a voluntary document that provides regionally identified goals, objectives, strategies, and projects to meet the integrated water needs of the City of Placerville. As discussed at the regularly scheduled City Council meeting on February 24, 2015, City staff continued efforts with EDCWA and CABY to develop a joint grant application to successfully attain project financing for another phase of funding from the highly sought-after Proposition 84 source. This subsequent Proposition 84, Round 2 of funding was administered by Nevada

Irrigation District (NID) at the direction of CABY. In September 2014, DWR notified NID and City of Placerville subsequently, that the application was successful. DWR and NID (as the grant administrator) have since then completed the grant cooperative agreement, enabling NID to initiate separate Local Project Sponsor (LPS) agreements, among which included the City of Placerville for a portion of the Pardi Way/Big Cut Road/Sacramento Street Waterline Replacement Project for the replacement of the waterlines located on Chamberlain Street and Sacramento Street. This subsequent phase of the grant funding will cover approximately 30%, in addition to the previously funded 60% of the originally designed project, making the complete project now funded up to 90%.

Discussion:

At the regularly scheduled meeting on February 24, 2015, City Council approved a consultant services agreement with Domenichelli and Associates (D&A) to complete the design for the funded portions of the Pardi Way/Big Cut Road/Sacramento Street Project, which included various segments, in particular water lines A, AA, B, C, and D (please see Overall Site Plan as Attachment 2 for reference). Upon notification of receipt of the Round 2 funding, City Staff requested an amendment from D&A for Lines CC and E, covering Gilmore Street and Chamberlain Street waterline replacement. At this time, Line F is the only remaining portion of the project that is still unfunded with an estimated construction value of \$180,000.

Nevada Irrigation District (NID) was chosen by CABY members as the agency to submit the grant application to DWR for the Round 2 funding, and is therefore the agency that DWR has entered into a master agreement with to deliver the total funding amount of \$6,184,197 to various agencies, with the City of Placerville being among one of the multiple recipients in the amount of \$743,351. NID has now worked with each LPS to develop an agreement that is acceptable to all of the sponsors, and that will be specific to each of the sponsor's responsibilities in accepting the grant funds for their portion of the overall grant. The City's responsibilities towards grant compliance include requirements related to billing, reporting, scheduling, and recordkeeping are covered in the LPS agreement. The agreement has been reviewed by staff, and staff recommends execution of the agreement.

Under the terms of the funding agreements for both phases of funding, the City is required to provide a funding match for the project. The table below summarizes the local match requirements for each phase of funding, including previously contributed amounts as accepted by the grant administrators (TSF and NID), and a summary of remaining local match requirements. At the regularly scheduled meeting on February 24, 2015, City Council, at the recommendation of the Measure H Sales Tax Committee, appropriated \$425,000 towards the project for the use as local match. The existing appropriation amount of \$425,000 is sufficient to move forward with final design of the project. Once the project is released for bidding and awarded for construction, additional appropriation requests to include the remaining required local match amount will be brought to City Council for approval.

| Funding Sources | Grant Funding Amount | Funding Source Local Match Requirement | Previously Provided & Accepted Match | Remaining Local Match Required |
|--|----------------------|--|---|--------------------------------------|
| DWR Prop 84 PHASE 1 (TSF Grant Administrator) | \$ 950,000 | \$ 461,493 | \$ 103,209 | \$ 358,284 |
| DWR Prop 84 PHASE 2 (NID Grant Administrator) | 743,351 | 259,715 | - | 259,715 |
| Subtotals | 1,693,351 | 721,208 | 103,209 | 617,999 |
| Remaining Local Match Required | | | | 617,999 |
| Current Measure H/Local Match Appropriations | | | | 425,000 |
| Additional Budget Appropriations Needed | | | | <u>\$ 192,999</u> |

Prior to the award of a construction contract, \$192,999 in additional funds will need to be identified and appropriated to complete the funding match requirement and receive the total \$1,693,351 in grant funds as shown above.

Budget Impact:

At its regularly scheduled meeting held on January 25, 2011, the City Council appropriated \$90,000 for the Pardi Lane/Big Cut Road/Sacramento Street Waterline Replacement project (CIP #41109). At its regularly scheduled meeting held on February 24, 2015, the City Council appropriated an additional \$1,375,000 for a total project budget of \$1,465,000. To date, the project has encumbered the following costs:

| | |
|--|--------------------------|
| Psomas | \$ 96,264 |
| B&B Locating | 500 |
| Domenichelli & Associates (Original Agreement) | 71,190 |
| Domenichelli & Associates (Proposed Amendment No. 1) | 34,790 |
| El Dorado County Recorder-Clerk | 50 |
| The Sierra Fund | 6,395 |
| Engineering Staff | 22,191 |
| Total | <u>\$ 231,380</u> |

Staff recommends an additional \$743,351 budget appropriation as shown in the table below:

| Budget Description | Revised Project Budget | Proposed Project Budget | Increase/(Decrease) |
|-----------------------------|------------------------|-------------------------|---------------------|
| Construction | \$ 963,000 | \$ 1,656,025 | \$ 693,025 |
| Design Engineering Services | 156,090 | 156,090 | - |
| Engineering Staff | 36,000 | 36,000 | - |
| Contingency | 309,910 | 360,236 | 50,326 |
| Total | \$ 1,465,000 | \$ 2,208,351 | \$ 743,351 |

As you can see, the \$231,380 in project encumbrances, including the proposed \$34,790 agreement amendment No. 1 with Domenichelli & Associates, is well within the \$2,208,351 proposed project budget. Staff further recommends approval of the project as outlined. As mentioned above, staff anticipates an additional \$192,999 budget appropriation will need to be identified and approved as a local match before the City can begin the construction phase of the project.

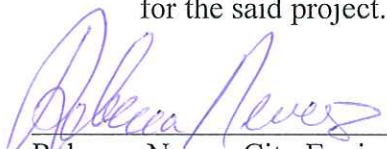
Options:

1. Approve the Local Project Sponsor agreement with Nevada Irrigation District as the grant administrator, approve consultant design agreement amendment No. 1 with Domenichelli and Associates as recommended, and appropriate \$743,351 from the Round 2 State Water Conservation Grant.
2. Do Nothing - The City would lose the funding and would likely not be allowed to receive the additional Drought funding described above. This approach is counter to prior resolutions with regards to this project as adopted by the City Council.

Recommendation:

Adopt a Resolution:

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3. Approving a \$743,351 budget appropriation from the State Water Conservation Grant for the said project.


 Rebecca Neves, City Engineer


 Pierre Rivas, Development Services Director


 M. Cleve Morris, City Manager

Attachments:

1. Resolution
2. Overall Site Plan
3. Agreement with NID
4. Exhibits to Agreement with NID